

1                   I am proud of what I have achieved as a  
2 person, and it's thanks to Harrah's Casino and my job  
3 in the casino industry.

4                   Thank you for listening to my story.

5                   CHAIRPERSON JAMES: Thank you.

6                   Martha Young.

7                   Brenda Flanagan.

8                   MR. FLANAGAN: I'm Brendan Flanagan.

9                   CHAIRPERSON JAMES: Brendan. All right.  
10 I apologize, Mr. Flanagan.

11                  MR. FLANAGAN: No problem.

12                  Good afternoon, ladies and gentlemen of  
13 the Commission. My name is Brendan Flanagan, and I  
14 represent the Restaurant Association of Maryland, a  
15 trade association representing over 2,400 businesses  
16 throughout the State of Maryland.

17                  I'm here to share with you just a few of  
18 the association's key findings which led us to oppose  
19 casino gambling after four years of extensive  
20 research.

21                  We concluded casinos would be a bad bet  
22 for both our state and our regional economy after

1 looking at four key economic areas: casinos' effects  
2 on existing businesses, their effect on tourism, their  
3 effect on jobs, and their effect on a state's budget.

4 In the interest of time, I will only  
5 highlight two or three key findings in these areas.

6 First, in the area of existing business  
7 impact, we found casinos to have a strong and negative  
8 effect on existing restaurants, hotels, shops,  
9 entertainment venues, and other retail outlets in  
10 which casinos exist.

11 But don't take it from me. Take it from  
12 Donald Trump, who was quoted in 1994 in a Miami Herald  
13 article as saying, "People will spend a tremendous  
14 amount of money in casinos, money that they would  
15 normally spend on buying a refrigerator or a new car.  
16 Local businesses will suffer because they'll lose  
17 customer dollars to the casinos."

18 What also alarmed us was a finding quoted  
19 in several casino studies, that the number of  
20 restaurants in Atlantic City from 1977 to 1987, while  
21 casinos were operating, plummeted from 243 to just 146  
22 in that ten-year period. That's an approximate 40

1 percent decline.

2               Secondly, regarding tourism, our data  
3 suggests that the vast majority of casinos attract  
4 local populations rather than tourists, thus  
5 minimizing the possible economic benefits associated  
6 with tourist dollars.

7               A study by the Gaming and Economic  
8 Development Institute, for example, determined that a  
9 limited scale local casino draws 67 percent of its  
10 revenues from the local population.

11              A casino industry funded study in Virginia  
12 concluded that as many as 92 percent of a proposed  
13 casino's patrons would be state residents or people  
14 who were already visiting the area. Again, this is  
15 data from proponents of casinos.

16              Thirdly, regarding jobs, our findings  
17 concluded that typically there is no net positive job  
18 gain, and that by and large the work force was simply  
19 shifting from one employment sector to the other.

20              The State of Maryland's Department of  
21 Business and Economic Development was not quite as  
22 hopeful as some reports that said that the job wait

1 would only be even. They concluded that there could  
2 be a net loss of up to 20,000 jobs if a casino came  
3 in.

4 And finally, regarding state budget  
5 impact, our research uncovered that the long-term  
6 costs associated with casinos oftentimes outweigh the  
7 gains. Indeed, we found that for any locality to  
8 conclude that casinos are a positive economic force  
9 without analyzing the cost is a little like a highway  
10 administrator claiming that the roads to be in good  
11 shape as long as you don't consider the potholes.

12 I appreciate this opportunity to speak  
13 before you this afternoon.

14 CHAIRPERSON JAMES: Mark Andrews.

15 MR. ANDREWS: My name is Mark Andrews.  
16 I'm from St. Louis, Missouri. This is Mark Andrews  
17 speaking. I'm from St. Louis, Missouri, where I've  
18 run a manufacturing business for 35 years.

19 I'm here today to talk about the deceit  
20 and unethical behavior of the casino industry. In all  
21 my years in business, I have never seen a company do  
22 to its customers, its competitors, or the general